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Blue River Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 498)

ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2024

The board of directors (the “**Board**”) of Blue River Holdings Limited (the “**Company**”) is pleased to announce the audited consolidated annual results of the Company and its subsidiaries (the “**Group**”) for the year ended 31 March 2024.

RESULTS
CONSOLIDATED INCOME STATEMENT
For the year ended 31 March 2024

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Continuing operations			
Revenue			
Sales and services income	3	51,468	71,494
Interest income	3	8,702	5,600
Rental income	3	1,800	-
		<hr/> 61,970	<hr/> 77,094
Cost of sales and services rendered		(38,186)	(58,996)
		<hr/> 23,784	<hr/> 18,098
Gross profit		23,784	18,098
Other income	5	149	3,862
Administrative expenses		(107,703)	(115,555)
Distribution and selling expenses		(15,300)	(15,220)
Other gains and losses	6	(3,308)	(63,866)
Impairment loss reversed on financial assets, net	7	31,071	3,977
Finance costs	8	(6,627)	(16,656)
Gain on disposal of subsidiaries	16	59,323	-
Gain on winding up of subsidiaries		-	9,470
Fair value changes of investment properties		(9,800)	(2,458)
Share of results of associates		(230,608)	41,483
Share of results of joint ventures		(4,642)	(4,839)
		<hr/> (263,661)	<hr/> (141,704)
Loss before taxation	9	(263,661)	(141,704)
Taxation	10	351	(434)
		<hr/> (263,310)	<hr/> (142,138)
Loss for the year from continuing operations		(263,310)	(142,138)
Discontinued operations			
Loss for the year from discontinued operations	11	-	(566,867)
		<hr/> (263,310)	<hr/> (709,005)
Loss for the year		(263,310)	(709,005)

RESULTS
CONSOLIDATED INCOME STATEMENT
For the year ended 31 March 2024

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loss for the year attributable to:		
Owners of the Company		
- from continuing operations	(265,263)	(144,506)
- from discontinued operations	-	(460,907)
	(265,263)	(605,413)
Non-controlling interests		
- from continuing operations	1,953	2,368
- from discontinued operations	-	(105,960)
	1,953	(103,592)
	(263,310)	(709,005)
	2024	2023
	HK cents	<i>HK cents</i>
Loss per share		
Basic and diluted		
- from continuing operations	(25.5)	(13.2)
- from discontinued operations	-	(42.2)
	(25.5)	(55.4)

Notes

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 March 2024

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loss for the year	(263,310)	(709,005)
OTHER COMPREHENSIVE EXPENSE		
<i>Items that will not be reclassified to profit or loss</i>		
Change in fair value of financial assets measured at fair value through other comprehensive income (“FVOCI”)	(115,627)	(82,360)
Share of other comprehensive expense of associates	(2,510)	(251)
<i>Items that may be subsequently reclassified to profit or loss</i>		
Exchange differences arising from translation of foreign operations	(3,079)	(69,015)
Reclassification adjustment on disposal of subsidiaries	(32,739)	(10,634)
Other comprehensive expense for the year	(153,955)	(162,260)
Total comprehensive expense for the year	(417,265)	(871,265)
Total comprehensive (expense) income for the year attributable to:		
Owners of the Company		
- from continuing operations	(419,218)	(228,583)
- from discontinued operations	-	(523,589)
	(419,218)	(752,172)
Non-controlling interests		
- from continuing operations	1,953	2,368
- from discontinued operations	-	(121,461)
	1,953	(119,093)
	(417,265)	(871,265)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 31 March 2024

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment		18,491	26,684
Right-of-use assets		6,841	51,670
Investment properties		53,500	63,300
Intangible assets		1,058	1,156
Interests in associates		677,586	767,904
Interest in a joint venture		11,500	14,812
Financial assets measured at FVOCI		164,067	202,975
		933,043	1,128,501
CURRENT ASSETS			
Inventories of finished goods		87	66
Loan receivable		3,193	-
Amounts due from former subsidiaries in liquidation		1,303	20,865
Trade and other receivables	<i>14</i>	18,315	25,188
Short-term bank deposits		8,621	3,425
Bank balances and cash		11,500	770,811
		43,019	820,355
CURRENT LIABILITIES			
Trade and other payables	<i>15</i>	15,059	38,388
Contract liabilities		13	1,535
Lease liabilities		5,231	10,053
Amounts due to former subsidiaries in liquidation		-	27
Amount due to a non-controlling shareholder		8,891	8,891
Amount due to a joint venture		180	-
Taxation payable		-	1,590
Bank and other borrowings		15,133	532,991
		44,507	593,475
NET CURRENT (LIABILITIES) ASSETS		(1,488)	226,880
TOTAL ASSETS LESS CURRENT LIABILITIES		931,555	1,355,381
NON-CURRENT LIABILITIES			
Bank and other borrowings		844	1,998
Lease liabilities		4,198	9,581
Deferred tax liabilities		213	237
		5,255	11,816
NET ASSETS		926,300	1,343,565

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 31 March 2024

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
CAPITAL AND RESERVES		
Share capital	104,095	104,095
Reserves	829,234	1,248,452
	<hr/>	<hr/>
Equity attributable to owners of the Company	933,329	1,352,547
Non-controlling interests	(7,029)	(8,982)
	<hr/>	<hr/>
TOTAL EQUITY	926,300	1,343,565
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

Blue River Holdings Limited (the “**Company**”) is an exempted company incorporated in Bermuda with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is the same as the functional currency of the Company.

The Company and its subsidiaries (together the “**Group**”) is principally engaged in, *inter alia*, gas distribution and logistics operation in the People’s Republic of China (the “**PRC**”), property investment, securities trading and investment, and provision of financing related services.

The Group was also engaged in providing comprehensive engineering and property-related services through Paul Y. Engineering Group Limited (“**Paul Y. Engineering**”) and land and property development and investment in the PRC, which were discontinued during the last year.

2. MATERIAL ACCOUNTING POLICIES

Basis of preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities (the “**Listing Rules**”) on the Stock Exchange and by the Hong Kong Companies Ordinance.

The Group incurred a loss of HK\$263,310,000 for the year ended 31 March 2024 and, as of that date, the Group’s current liabilities exceeded its current assets by HK\$1,488,000. For the purpose of assessing the appropriateness of the use of the going concern basis for the preparation of the consolidated financial statements, the management has prepared a cash flow forecast for a period of not less than 12 months from 31 March 2024 (“**Forecast**”). When preparing the Forecast, management has given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. After review of the Forecast, the directors of the Company have a reasonable expectation that the Group has sufficient working capital, including the credit facilities available, to continue in operational existence for the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

Should the Group be unable to operate as a going concern, adjustments would have to be made to write down the carrying values of the Group’s assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

The consolidated financial statements have been prepared on the historical cost basis, except for investment properties and certain financial instruments, which are measured at fair values.

2. MATERIAL ACCOUNTING POLICIES – CONTINUED

Adoption of new/revised HKFRSs

The Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current year:

HKFRS 17	Insurance Contracts
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform – Pillar Two Model Rules

The application of the new and amendments to HKFRSs in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

3. REVENUE

Revenue from continuing operations is analysed as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Continuing operations		
Sales and services income:		
Income from port related services	2,625	2,431
Sale of LPG and CNG products	48,843	69,063
	<hr/> 51,468 <hr/>	<hr/> 71,494 <hr/>
Interest income:		
Interest income from loan receivables	8,702	5,600
	<hr/> 1,800 <hr/>	<hr/> - <hr/>
Rental income:		
Rental income from investment properties	1,800	-
	<hr/> 61,970 <hr/>	<hr/> 77,094 <hr/>

Revenue from contracts with customers includes (i) income from port related services that are recognised over time and (ii) revenue from sale of liquefied petroleum gas (“LPG”) and compressed natural gas (“CNG”) products that are recognised at a point in time.

4. SEGMENT INFORMATION

The operating segments of the Group are determined based on information reported to executive directors, the Group's chief operating decision makers, for the purposes of resources allocation and performance assessment. The information focuses more specifically on the strategic operation and development of each business unit and its performance is evaluated through organising business units with similar economic characteristics into an operating segment.

As disclosed in Note 11, the comprehensive engineering and property-related services provided through Paul Y. Engineering and the land and property development and investment in the PRC were classified as discontinued operations of the Group and their operating results were presented separately from the continuing operations of the Group for the year ended 31 March 2023.

In assessing the performance of the operating segments, certain non-operating items which were not directly related to the segment's operating performance would not be taken into account. Accordingly, (i) corporate and other expenses which are not directly related to the performance of the operating segments; (ii) net exchange gain/loss which are mainly arising from intra-company loans; (iii) gain on forfeiture of deposit and earnest money received arising from corporate exercise; (iv) distributions from liquidated subsidiaries and impairment allowance recognised/reversed on amounts due from liquidated subsidiaries which had ceased operation; and (v) finance costs driven by the Group's financing decisions were adjusted out from the profit/loss before tax in arriving at the segment results.

The operating and reportable segments are as follows:

Continuing operations

Ports and logistics	- Ports development, operation of ports, LPG, CNG and liquefied natural gas ("LNG") distribution and logistics businesses
Property	- Investment and leasing of real estate properties (other than in the PRC)
Securities	- Investment and trading of securities
Financial services	- Provision of loan financing, financial related services and cash management

Discontinued operations

Engineering	- Building construction, civil engineering, property development management, project management and facilities management services
PRC Property	- Development, investment, sale and leasing of real estate properties, developed land, land under development and projects under development in the PRC

4. SEGMENT INFORMATION – CONTINUED

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segment:

For the year ended 31 March 2024

	Continuing operations					Discontinued operations			Segment total and consolidated HK\$'000
	Ports and logistics HK\$'000	Property HK\$'000	Securities HK\$'000	Financial services HK\$'000	Sub-total HK\$'000	Engineering HK\$'000	PRC Property HK\$'000	Sub-total HK\$'000	
Revenue	51,468	1,800	-	8,702	61,970	-	-	-	61,970
Segment results*	30,715	(31,636)	(12)	(204,481)	(205,414)	-	-	-	(205,414)
Corporate and other expenses					(89,560)				(89,560)
Net exchange loss					(1,371)				(1,371)
Gain on forfeiture of deposit and earnest money received					8,200				8,200
Impairment loss reversed on amounts due from former subsidiaries in liquidation					31,111				31,111
Finance costs					(6,627)				(6,627)
Loss before taxation					(263,661)				(263,661)
Taxation					351				351
Loss for the year					(263,310)				(263,310)

For the year ended 31 March 2023

	Continuing operations					Discontinued operations			Segment total and consolidated HK\$'000
	Ports and logistics HK\$'000	Property HK\$'000	Securities HK\$'000	Financial services HK\$'000	Sub-total HK\$'000	Engineering HK\$'000	PRC Property HK\$'000	Sub-total HK\$'000	
Revenue	71,494	-	-	5,600	77,094	5,269,544	7,874	5,277,418	5,354,512
Segment results*	(65,529)	(6,331)	651	41,414	(29,795)	(383,299)	(153,657)	(536,956)	(566,751)
Corporate and other expenses					(89,362)				(89,362)
Net exchange loss					(9,268)			(9)	(9,277)
Impairment loss reversed on amounts due from former subsidiaries in liquidation					3,377				3,377
Finance costs					(16,656)			(49,523)	(66,179)
Loss before taxation					(141,704)			(586,488)	(728,192)
Taxation					(434)			19,621	19,187
Loss for the year					(142,138)			(566,867)	(709,005)

* For the year ended 31 March 2024, gain on disposal of subsidiaries of approximately HK\$59,323,000 (2023: Nil) has been recognised in the ports and logistics segment.

For the year ended 31 March 2023, loss on deemed disposal of Paul Y. Engineering of approximately HK\$317,103,000 has been recognised in the engineering segment and gain on disposal of discontinued operations of approximately HK\$38,110,000 has been recognised in the PRC Property segment.

4. SEGMENT INFORMATION – CONTINUED

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segment:

At 31 March 2024

	Ports and logistics <i>HK\$'000</i>	Property <i>HK\$'000</i>	Securities <i>HK\$'000</i>	Financial services <i>HK\$'000</i>	Segment total and consolidated <i>HK\$'000</i>
ASSETS					
Segment assets	47,843	73,981	131,285	692,847	945,956
Unallocated assets*					30,106
Consolidated total assets					<u>976,062</u>
LIABILITIES					
Segment liabilities	6,557	10,146	-	34	16,737
Unallocated liabilities*					33,025
Consolidated total liabilities					<u>49,762</u>

At 31 March 2023

	Ports and logistics <i>HK\$'000</i>	Property <i>HK\$'000</i>	Securities <i>HK\$'000</i>	Financial services <i>HK\$'000</i>	Segment total and consolidated <i>HK\$'000</i>
ASSETS					
Segment assets	169,540	107,683	90,185	754,090	1,121,498
Unallocated assets*					827,358
Consolidated total assets					<u>1,948,856</u>
LIABILITIES					
Segment liabilities	30,758	24,129	12	295	55,194
Unallocated liabilities*					550,097
Consolidated total liabilities					<u>605,291</u>

* Unallocated assets include cash and bank balances of approximately HK\$6,959,000 (2023: HK\$757,475,000) and amounts due from former subsidiaries in liquidation of approximately HK\$1,303,000 (2023: HK\$20,865,000), while the unallocated liabilities include bank and other borrowings of approximately HK\$15,977,000 (2023: HK\$528,139,000) and amounts due to former subsidiaries in liquidation of nil (2023: HK\$27,000).

Segment assets and liabilities comprise assets and liabilities of the operating subsidiaries, as well as certain interests in associates and investments in equity instruments that are engaged in relevant segmental businesses. Accordingly, segment assets exclude corporate assets which are mainly certain bank balances and cash, interest in a joint venture, right-of-use assets and other receivables, and segment liabilities exclude corporate liabilities which are mainly certain bank and other borrowings, other payables and lease liabilities.

For the purpose of resources allocation and assessment of segment performance, deferred tax liabilities are allocated to segment liabilities but the related deferred tax credit/charge are not reported to the executive directors of the Company as part of segment results.

5. OTHER INCOME

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Continuing operations		
Bank and other interest income	149	199
Dividend income from financial assets measured at FVOCI	-	3,663
	<hr/> 149	<hr/> 3,862
	<hr/> 149	<hr/> 3,862

6. OTHER GAINS AND LOSSES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Continuing operations		
Gain on forfeiture of deposit and earnest money received	8,200	-
Net exchange loss	(1,371)	(9,268)
Impairment loss on property, plant and equipment	-	(54,426)
Impairment loss on right-of-use assets (note)	(8,877)	-
Loss on disposal of property, plant and equipment	(1,260)	(172)
	<hr/> (3,308)	<hr/> (63,866)
	<hr/> (3,308)	<hr/> (63,866)

note: The amount represents the full impairment loss on certain right-of-use assets relating to the non-cancellable lease terms of offices and motor vehicles of which their carrying amounts were considered unrecoverable.

7. IMPAIRMENT LOSS REVERSED ON FINANCIAL ASSETS, NET

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Continuing operations		
Impairment loss (recognised) reversed on loan receivables	(40)	600
Impairment loss reversed on amounts due from former subsidiaries in liquidation	31,111	3,377
	<hr/> 31,071	<hr/> 3,977
	<hr/> 31,071	<hr/> 3,977

8. FINANCE COSTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Continuing operations		
Interest on bank borrowings	66	810
Interest on other borrowings	5,646	14,992
Imputed interest expense on lease liabilities	915	854
	<u>6,627</u>	<u>16,656</u>

9. LOSS BEFORE TAXATION

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Continuing operations		
Loss before taxation has been arrived at after charging:		
Amortisation of intangible assets	45	46
Cost of inventories recognised as an expense	38,186	58,996
Depreciation of property, plant and equipment	6,294	3,807
Depreciation of right-of-use assets	13,685	13,155
	<u>13,685</u>	<u>13,155</u>

10. TAXATION

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Continuing operations		
Taxation comprises tax (credit) charge below:		
Taxation arising in the PRC		
Current year	528	446
Overprovision in prior years	(868)	-
	<u>(340)</u>	<u>446</u>
Deferred taxation arising in the PRC	(11)	(12)
	<u>(351)</u>	<u>434</u>

Under the two-tiered profits tax rates regime in Hong Kong, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. No provision for Hong Kong Profits Tax has been made as the Group has no estimated assessable profits for both years. The tax rate for the Group's subsidiaries in the PRC is 25% for both years.

11. DISCONTINUED OPERATIONS

Engineering Operation

In September 2022, Paul Y. Engineering proposed a rights issue raising a capital of approximately HK\$967 million, of which the Group was entitled to subscribe for rights shares in proportion to its equity interest in Paul Y. Engineering with an aggregate subscription amount of approximately HK\$466 million. On 4 November 2022, the board of directors of the Company resolved (a) to return the voting right of a block of approximately 10% shareholding in Paul Y. Engineering (the “**Voting Rights**”) back to the original assignor who had irrevocably and unconditionally assigned such Voting Rights to the Group on 1 June 2021; (b) not to subscribe for the entitled rights shares under the rights issue; and (c) to divest its investment in Paul Y. Engineering. Accordingly, on 4 November 2022, the Group irrevocably and unconditionally reassigned the Voting Rights back to the original assignor at nil consideration (the “**Reassignment**”). On 5 November 2022, Paul Y. Engineering completed its rights issue and allotment of 1,516,147,126 rights shares at a subscription price of HK\$0.33 each to its qualified shareholders, resulting in a dilution of the Company’s equity interest in Paul Y. Engineering from approximately 48.23% to approximately 29.75% (the “**Dilution**”). On 5 November 2022, the Group entered into a non-legally binding memorandum of understanding for the disposal of the remaining 29.75% equity interest in Paul Y. Engineering, and the conditional agreement for the disposal was subsequently entered on 14 November 2022 with an agreed consideration of HK\$300 million (“**PYE Disposal**”). The PYE Disposal was eventually completed on 29 March 2023.

Immediately after the Reassignment and Dilution in November 2022, (a) the Group’s voting rights in Paul Y. Engineering decreased from approximately 58.23% to approximately 29.75% and the Group no longer retained majority control of the voting rights at any general meetings of Paul Y. Engineering; (b) Paul Y. Engineering ceased to be a subsidiary of the Company and the financial results of Paul Y. Engineering would no longer be consolidated into the financial statements of the Group since then; and (c) the retained 29.75% equity interest in Paul Y. Engineering was measured at fair value of HK\$300 million, which is the agreed consideration, and resulted in a loss on deemed disposal of approximately HK\$317 million. Upon and after the PYE Disposal, the Group is no longer engaged in the business of providing comprehensive engineering and property-related services (“**Engineering Operation**”). Accordingly, the Engineering Operation was classified as a discontinued operation.

PRC Property Operation

On 9 September 2022, the Group entered into a sale and purchase agreement for the disposal of the Group’s investment in a building known as “Pioneer Technology Building” in Hangzhou, the PRC, through disposal of the entire equity interest in 浙江美聯置業有限公司 (“**浙江美聯**”), the wholly-owned subsidiary of the Company and the building’s investment holding company, at a consideration of RMB65 million (equivalent to approximately HK\$72 million). The assets and liabilities associated with 浙江美聯 had been classified as held for sale as at 31 March 2022. The disposal was completed on 31 October 2022 and resulted in a gain on disposal of approximately HK\$4 million.

On 24 December 2022, the Group entered into a sale and purchase agreement for the disposal of its entire equity interest in Profit Tycoon Holdings Limited (“**Profit Tycoon**”) at a consideration of HK\$406 million, subject to adjustment. Profit Tycoon was an investment holding company incorporated in the British Virgin Islands which was engaged in land and property development and investment in Xiao Yangkou through its PRC subsidiaries. The disposal was completed on 6 March 2023 with the finalised consideration of approximately HK\$383 million and resulted in a gain on disposal of approximately HK\$34 million.

Upon and after the disposals of 浙江美聯 and Profit Tycoon, the Group was no longer engaged in the land and property development and investment business in the PRC (the “**PRC Property Operation**”). Accordingly, the PRC Property Operation was classified as a discontinued operation.

11. DISCONTINUED OPERATIONS – CONTINUED

The consolidated financial results from the discontinued operations for the period from 1 April 2022 to the dates of disposals is set out below.

	2023		
	Engineering Operation <i>HK\$'000</i>	PRC Property Operation <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue	5,269,544	7,874	5,277,418
Cost of sales and services rendered	(5,088,651)	(1,393)	(5,090,044)
Gross profit	180,893	6,481	187,374
Other income	4,880	66	4,946
Administrative expenses	(223,465)	(34,673)	(258,138)
Distribution and selling expenses	-	(10,648)	(10,648)
Other gains and losses	(893)	(7,619)	(8,512)
Impairment loss recognised on financial assets and contract assets, net	(27,484)	(949)	(28,433)
Write-down of stock of properties	-	(115,324)	(115,324)
Finance costs	(26,873)	(22,650)	(49,523)
Fair value changes of investment properties	-	(29,110)	(29,110)
Share of results of associates	(8)	-	(8)
Share of results of joint ventures	(119)	-	(119)
Loss before taxation	(93,069)	(214,426)	(307,495)
Taxation	2,106	17,515	19,621
Loss for the year	(90,963)	(196,911)	(287,874)
(Loss) gain on disposal of discontinued operations, net of tax	(317,103)	38,110	(278,993)
Loss for the year from discontinued operations	(408,066)	(158,801)	(566,867)
Attributable to:			
Owners of the Company	(360,974)	(99,933)	(460,907)
Non-controlling interests	(47,092)	(58,868)	(105,960)
	(408,066)	(158,801)	(566,867)

11. DISCONTINUED OPERATIONS – CONTINUED

	2023		Total <i>HK\$'000</i>
	Engineering Operation <i>HK\$'000</i>	PRC Property Operation <i>HK\$'000</i>	
Net assets disposed of:			
Property, plant and equipment	139,604	55,266	194,870
Right-of-use assets	51,773	8,708	60,481
Investment properties	-	435,290	435,290
Project under development	-	169,495	169,495
Goodwill	5,523	-	5,523
Other intangible assets	136,952	448	137,400
Interests in joint ventures	861	-	861
Stock of properties	-	591,437	591,437
Loan receivables	179,226	-	179,226
Amount due from an associate	5,820	-	5,820
Amounts due from joint ventures	8,676	-	8,676
Amounts due from joint operations/other partners of joint operations	145,431	-	145,431
Trade and other receivables #	2,693,844	35,296	2,729,140
Contract assets	4,510,624	-	4,510,624
Taxation recoverable	955	-	955
Pledged bank deposits and restricted cash	68,348	-	68,348
Short term bank deposits	81,949	-	81,949
Bank balances and cash	808,158	27,938	836,096
Trade and other payables	(4,997,094)	(102,066)	(5,099,160)
Contract liabilities	(540,852)	-	(540,852)
Lease liabilities	(55,253)	(1,386)	(56,639)
Amount due to a joint venture	(3,937)	-	(3,937)
Amounts due to joint operations/other partners of joint operations	(345,920)	-	(345,920)
Amounts due to non-controlling shareholders	-	(90,192)	(90,192)
Taxation payable	(26,640)	(1,223)	(27,863)
Bank and other borrowings	(1,572,193)	(360,699)	(1,932,892)
Deferred tax liabilities	(21,271)	(248,005)	(269,276)
Obligations in excess of interests in associates	(2,500)	-	(2,500)
Net assets	1,272,084	520,307	1,792,391
Less: Non-controlling interests	(655,679)	(105,559)	(761,238)
	616,405	414,748	1,031,153

Including an amount of approximately HK\$4,052,000 due from the Group.

11. DISCONTINUED OPERATIONS – CONTINUED

	2023		
	Engineering Operation <i>HK\$'000</i>	PRC Property Operation <i>HK\$'000</i>	Total <i>HK\$'000</i>
(Loss) gain on disposal of discontinued operations:			
Cash consideration	300,000	455,074	755,074
Directly attributable costs and levies	(1,079)	(9,750)	(10,829)
Net assets disposed of	(1,272,084)	(520,307)	(1,792,391)
Non-controlling interests	655,679	105,559	761,238
(Loss) gain on disposal before taxation and release of attributable reserve	(317,484)	30,576	(286,908)
Cumulative exchange differences in respect of the net assets of subsidiaries reclassified from equity to profit or loss on loss of control of subsidiaries	381	10,253	10,634
(Loss) gain on disposal before taxation	(317,103)	40,829	(276,274)
Less: Taxation	-	(2,719)	(2,719)
(Loss) gain on disposal of discontinued operations, net of tax	(317,103)	38,110	(278,993)

12. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company for the year is based on the following data:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loss for the year attributable to owners of the Company for the purpose of calculating basic and diluted loss per share		
- from continuing operations	(265,263)	(144,506)
- from discontinued operations	-	(460,907)
	(265,263)	(605,413)
	2024 <i>Number of shares</i>	2023 <i>Number of shares</i>
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	1,040,946,114	1,091,976,963

Diluted loss per share is equal to the basic loss per share as the Company does not have any dilutive potential ordinary shares outstanding during both years.

13. DISTRIBUTION

No dividend was recognised as distribution during both years.

The Board of the Company has resolved not to recommend for shareholders' approval the payment of any final dividend for the year ended 31 March 2024 (2023: Nil).

14. TRADE AND OTHER RECEIVABLES

Included in trade and other receivables are trade receivables of approximately HK\$6,241,000 (2023: HK\$7,380,000). The Group's credit terms for customers are normally 60 days which are negotiated at terms determined and agreed with its customers.

The ageing analysis of trade receivables, net of allowance for doubtful debts, presented based on the invoice date at the end of the reporting period is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 90 days	6,241	7,380

15. TRADE AND OTHER PAYABLES

Included in trade and other payables are trade payables of approximately HK\$2,908,000 (2023: HK\$3,922,000) and their ageing analysis presented based on the invoice date at the end of the reporting period is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade payables ageing analysis based on invoice date:		
Within 90 days	2,908	3,922

16. DISPOSAL OF SUBSIDIARIES

During the year ended 31 March 2024, the Group disposed of (i) Blue River Wuhan Port Limited and its subsidiaries and (ii) Yangkou Port Holdings Limited and its subsidiary from its continuing operations of ports and logistics business and recorded a gain on disposal of subsidiaries of approximately HK\$59,323,000 (2023: Nil).

	2024 <i>HK\$'000</i>
Net liabilities disposed of:	
Property, plant and equipment	2,317
Right-of-use assets	24,223
Financial assets measured at FVOCI	64,378
Trade and other receivables	2,075
Bank balances and cash	3,521
Trade and other payables	(19,233)
Contract liabilities	(1,886)
Lease liabilities	(2,147)
Taxation payable	(196)
Other borrowings #	(91,233)
	<u>(18,181)</u>

Included an amount of approximately HK\$3,233,000 due to the Group.

16. DISPOSAL OF SUBSIDIARIES – CONTINUED

	2024 <i>HK\$'000</i>
Gain on disposal of subsidiaries:	
Cash consideration	9,000
Directly attributable costs and levies	(597)
Net liabilities disposed of	18,181
	<hr/>
Gain on disposal before taxation and release of attributable reserve	26,584
Cumulative exchange differences in respect of the net liabilities of subsidiaries reclassified from equity to profit or loss on loss of control of subsidiaries	32,739
	<hr/>
Gain on disposal before taxation	59,323
Less: taxation	-
	<hr/>
Gain on disposal after taxation	59,323
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17. EVENTS AFTER THE REPORTING PERIOD

There were no major subsequent events occurred since the end of the reporting period and up to the date of this announcement.

FINAL DIVIDEND

The Board of the Company has resolved not to recommend payment of a final dividend for the year ended 31 March 2024 (2023: Nil).

CLOSURE OF THE REGISTER OF MEMBERS

The register of members of the Company will be closed during the period from Friday, 23 August 2024 to Wednesday, 28 August 2024, both dates inclusive, during which period no transfer of share(s) of the Company will be registered for the purpose of ascertaining shareholders' entitlement to attend and vote at the 2024 Annual General Meeting (the "2024 AGM") to be held on Wednesday, 28 August 2024. In order to be eligible to attend and vote at the 2024 AGM, all transfer document(s), accompanied by the relevant share certificate(s), must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 22 August 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF FINANCIAL PERFORMANCE AND POSITION

Continuing operations

For the year ended 31 March 2024, the continuing operations of the Group recorded a consolidated revenue of approximately HK\$62 million (2023: HK\$77 million) and gross profit of approximately HK\$24 million (2023: HK\$18 million). The decrease in revenue during the year was mainly due to the decrease in sales of compressed natural gas ("CNG") products impacted by the increased popularity of electric-powered vehicles and no sales of liquefied petroleum gas ("LPG") resulting from the phase-out of LPG-powered vehicles in Wuhan City. During the year, the Group recorded a loss before taxation from continuing operations of approximately HK\$264 million (2023: HK\$142 million), which was composed of:

- (i) net gain of approximately HK\$31 million (2023: loss of HK\$66 million) in ports and logistics segment, including gain on disposal of subsidiaries of approximately HK\$59 million (2023: Nil);
- (ii) net loss of approximately HK\$32 million (2023: HK\$6 million) in property segment;
- (iii) net loss of approximately HK\$0.01 million (2023: gain of HK\$1 million) in securities segment;
- (iv) net loss of approximately HK\$204 million (2023: gain of HK\$41 million) in financial services segment;
- (v) net corporate and other expenses of approximately HK\$90 million (2023: HK\$89 million);
- (vi) net exchange loss of approximately HK\$1 million (2023: HK\$9 million);
- (vii) gain on forfeiture of deposit and earnest money received of approximately HK\$8 million (2023: Nil);
- (viii) impairment loss reversed on amounts due from former subsidiaries in liquidation of approximately HK\$31 million (2023: HK\$3 million); and
- (ix) finance costs of approximately HK\$7 million (2023: HK\$17 million).

After taking into account the tax credit of approximately HK\$0.4 million (2023: tax charge of HK\$0.4 million), the continuing operations of the Group recorded loss for the year of approximately HK\$263 million (2023: HK\$142 million).

Discontinued operations

During the last year, the Group had discontinued the engineering operation upon the disposal of Paul Y. Engineering Group Limited (“**Paul Y. Engineering**”) and the property operation in the People’s Republic of China (the “**PRC**”) upon the disposal of Profit Tycoon Holdings Limited (“**Profit Tycoon**”). The discontinued operations recorded loss of approximately HK\$567 million for the year ended 31 March 2023 (2024: Nil).

Net loss for the year attributable to the owners of the Company was approximately HK\$265 million (2023: HK\$605 million) and basic loss per share was approximately HK25.5 cents (2023: HK55.4 cents). The decrease in net loss for the year was mainly attributed to the net impact of (a) absence of loss from discontinued operations for the year, as compared with the loss attributable to shareholders of approximately HK\$461 million from discontinued operations upon the disposal of the engineering and PRC property operation during the last year; (b) share of results of associates turned from a profit of approximately HK\$41 million for the last year to a loss of approximately HK\$231 million for the year; (c) gain on disposal of certain loss-making subsidiaries from its ports and logistics business of approximately HK\$59 million (2023: Nil) for the year; (d) absence of impairment loss on property, plant and equipment for the year, as compared with approximately HK\$54 million impairment loss for the last year; and (e) reversal of impairment loss on financial assets of approximately HK\$31 million for the year, as compared with approximately HK\$4 million reversal of impairment loss for the last year.

When compared with the Group’s financial position as at 31 March 2023, total assets decreased by 50% to approximately HK\$976 million (2023: HK\$1,949 million) mainly due to the use of cash for repayment of borrowings. As at 31 March 2024, net current liabilities amounted to approximately HK\$1 million (2023: net current assets of HK\$227 million), whereas current ratio deriving from the ratio of current assets to current liabilities decreased to 0.97 times (2023: 1.38 times). After taking into account (a) the net loss attributable to the owners of the Company of approximately HK\$265 million; (b) the decrease in carrying amount of financial assets measured at fair value through other comprehensive income of approximately HK\$116 million recognised in the investment revaluation reserve; (c) the share of other comprehensive expense of associates of approximately HK\$3 million; (d) the Renminbi exchange deficit of approximately HK\$3 million arising from translation of foreign operations; and (e) the reclassification of exchange surplus to profit or loss upon disposals of subsidiaries of approximately HK\$33 million, equity attributable to owners of the Company decreased by 31% to approximately HK\$933 million (2023: HK\$1,353 million), representing HK\$0.90 (2023: HK\$1.30) per share as at 31 March 2024.

REVIEW OF OPERATIONS AND BUSINESS DEVELOPMENT

Ports and Logistics

Fuel Gas Distribution and Logistics (100% owned)

During the year, the LPG and CNG distribution and logistics businesses of Minsheng Gas in Wuhan recorded a segment profit of approximately HK\$31 million (2023: loss of HK\$69 million).

Excluding the gain on disposal of subsidiaries of approximately HK\$59 million during the year and the one-off impairment provision for the capitalised liquefied natural gas (“LNG”) project costs of approximately HK\$54 million made in last year, the operating loss increased by 87% to HK\$28 million (2023: HK\$15 million) during the year. Currently, Minsheng Gas owns and operates four CNG automotive fueling stations in Wuhan City. Influenced adversely by the bolstered promotion of electric-powered vehicles by the Wuhan Municipal People’s Government and the popularisation of electric-powered vehicles in Wuhan City, the sales of CNG decreased by 17% to approximately 11.8 million m³ (2023: 14.2 million m³) when compared with the last year. The expediting deployment of new energy vehicles in both public and private transportation sectors by the Wuhan Government casts a bleak outlook on the CNG distribution business of Minsheng Gas. As a result of the phase-out of LPG-powered vehicles in Wuhan City and the closure of the remaining two LPG automotive fueling stations by Minsheng Gas during the year ended 31 March 2023, there was no sales of LPG for the year, comparing to the sales of approximately 1,150 tonnes last year.

Following the closure of the remaining two LPG automotive fueling stations, Minsheng Gas no longer needed to maintain the LPG storage-tank farm and river terminal for the storage and supply of LPG to its fueling stations. In order to optimise the value of the LPG assets, the Group had been evaluating its options to realise the LPG storage-tank farm assets. In respect of the LNG business, under the development plan of Minsheng Gas to construct new LNG storage tanks and LNG berths catering for domestic residential, transportation and industrial demands, the LNG storage facilities of Minsheng Gas would be designated as a regional storage and trans-shipment hub for LNG in Hubei Province, the PRC. It was estimated that the investment costs for the entire development plan would amount to approximately RMB4,000 million with a lengthy payback period for the infrastructure investment. Moreover, the profitability of the LNG project was subject to a number of uncertainties, *inter alia*, (i) the capability in securing a stable upstream supply of LNG at a competitive cost, while effectively navigating downstream markets and achieving a profitable selling price; (ii) the continuity of the current PRC national energy policy; and (iii) the government’s approval for the exclusive usage and the construction of the LNG berth terminals along the shoreline of the Yangtze River in Wuhan. Taking into account the aforementioned uncertainties and significant risks embedded in the LNG project, the Group had been taking a more cautious investment approach towards the development plan and had considered bringing in co-investors for the LNG project to share risks. Despite its diligent outreach to, and extensive negotiation efforts with, other prospective investors, the Company encountered challenges in securing co-investors due to their lackluster responses under the challenging operating environment of the LPG & LNG businesses. On 21 March 2024, the Company decided to realise its entire interest in LPG & LNG businesses through disposal of its wholly-owned Blue River Wuhan Port Limited, which wholly-owned 湖北民生石油液化氣有限公司 (Hubei Minsheng Liquefied Petroleum Gas Limited*) at a consideration of HK\$1 million and resulted in a gain on disposal of approximately HK\$55 million. After the disposal, the Group continues to engage in the operation of CNG distribution and logistics business through Minsheng Gas in Wuhan City mainly for fulfilment of its obligation of fueling service to the local public buses. Given the loss making condition of Minsheng Gas under the bleak outlook on the CNG distribution business, the Group is assessing its options on this business based on its development potential.

Yangkou Port (9.9% owned before disposal in December 2023)

The Group's 9.9% equity interest in 江蘇洋口港投資開發有限公司 (Jiangsu Yangkou Port Development and Investment Co. Ltd.*) ("Yangkou Port Co") did not contribute any dividend income to the segment result for the year (2023: HK\$3 million).

Yangkou Port Co is principally engaged in the business of development of port and related infrastructures at Yangkou Port, an offshore type deep-sea harbour along the South East Coast of Jiangsu Province, the PRC. Strategically located near the mouth of the Yangtze River, Yangkou Port is ideally situated to become one of China's largest trans-shipment hubs for dry and liquid bulk cargoes.

Following our several staged divestments from 75% to the current 9.9% interest in prior years, the residual equity interest in Yangkou Port Co was classified as financial assets measured at fair value through other comprehensive income. Given the lack of a stable and attractive dividend policy established in Yangkou Port Co, the Company decided to realise its residual 9.9% equity interest in Yangkou Port Co through the disposal of its investment holding company on 23 November 2023 at a consideration of HK\$8 million. The disposal was completed on 5 December 2023 and resulted in a disposal gain of approximately HK\$4 million. The disposal had no material impact on the Group's financial position and operation.

Property

After the completion of the divestment in the discontinued PRC property operation last year, the Group repositions its focus on the property segment in Hong Kong, taking advantage of the downturn of the Hong Kong property market to capture the potential market upside in future. As at 31 March 2024, the Group owns certain office premises and car parking spaces in Hong Kong through direct investment and investment in associates.

The continuing property business in Hong Kong recorded a segment loss of approximately HK\$32 million (2023: HK\$6 million) for the year which mainly composed of the loss on fair value changes of investment properties in Hong Kong of approximately HK\$10 million (2023: HK\$2 million) and share of the associates' loss of HK\$23 million (2023: HK\$1 million), as affected by the interest rate hike cycle and the weak demand for office premise in Hong Kong.

Securities

The securities segment recorded a segment loss of approximately HK\$0.01 million (2023: profit of HK\$1 million). As at 31 March 2024, the Group's investments in listed equity instruments not held for trading amounted to approximately HK\$129 million (2023: HK\$90 million). During the year, net investments in listed equity instruments of approximately HK\$120 million was made, while the decrease in fair value of approximately HK\$81 million (2023: HK\$39 million) for the year was recognised in other comprehensive expense.

The Group adopted a cautious and disciplined approach in managing the Group's securities portfolio. The Group will continue to monitor its securities portfolio and look for investment opportunities with a view to achieving growth in portfolio value in future.

Financial services

The financial services business recorded a segment loss of approximately HK\$204 million (2023: profit of HK\$41 million) for the year, which was mainly attributable to the share of loss of its investee associates of approximately HK\$208 million (2023: profit of HK\$41 million) during the year.

The Group adopted a cautious approach in managing its direct loan financing business aiming to gradually build up a creditworthy clientele base. The direct loan financing business contributed revenue of approximately HK\$9 million (2023: HK\$6 million) for the year. Revolving loans of HK\$295 million newly granted to various borrowers during the year have been fully recovered as at the report date.

The Group held one-third of equity interest in Maxlord Enterprises Limited (“**Maxlord**”), a licensed money lender carrying out money lending business in Hong Kong, which is an indirect 66.67% owned subsidiary of Planetree International Development Limited (stock code: 0613.HK). During the year, the Group shared loss of approximately HK\$35 million (2023: profit of HK\$13 million) on its investment in Maxlord.

The Group participated mainly in the overseas property asset-based financing business through a 40% owned associate, Golden Thread Investments Limited (“**Golden Thread**”). During the year, the Group shared loss of approximately HK\$32 million (2023: profit of HK\$20 million) on its investment in Golden Thread.

The Group participated in the integrated financial services sectors, particularly the licensed securities brokerage and margin financing business through equity investments to share knowledge, expertise and network in the field with industry partners. As at 31 March 2024, through equity investment in Hope Capital Limited, the Group indirectly held 23.79% equity interest in Hope Securities Limited, which is a licensed corporation under the Securities and Futures Ordinance to carry on regulated activities including dealing in and advising on securities and future contracts and asset management. The Group also held 33% equity interest in HEC Securities Company Limited which is engaged in treasury activities. The equity investments are classified as associates of the Company and the Group shared loss of approximately HK\$141 million (2023: profit of HK\$10 million) during the year.

The Group will continue to explore business opportunities in the financial service business under a prudent credit strategy and capitalise on the expertise and competitive strength of other sophisticated industry participants through partnerships, with a view to contribute a stable and favorable income stream to the Group.

SIGNIFICANT INVESTMENTS

An investment with a carrying value of 5% or more of the total assets of the Group is considered as a significant investment of the Group. As at 31 March 2024, the Group’s investment in 465,000,000 ordinary listed shares of Oshidori International Holdings Limited (“**Oshidori**”), represented approximately 7.5% of Oshidori’s issued share capital, was measured at fair value of approximately HK\$88 million, which represented approximately 9% to the total assets of the

Group. Total cost for the investment in Oshidori amounted to approximately HK\$130 million and the cumulative unrealised fair value loss was approximately HK\$42 million. Oshidori is a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 0622.HK). Oshidori and its subsidiaries are principally engaged in investment holdings, tactical and/or strategic investments (including property investments), provision of financial services including the Securities and Futures Commission regulated activities, namely Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 8 (securities margin financing) and Type 9 (asset management) and provision of credit and lending services regulated under the Money Lenders Ordinance. During the year, no dividend was received from Oshidori and the unrealised fair value loss of the investment in Oshidori of approximately HK\$24 million was charged to the investment revaluation reserve through other comprehensive income.

As extracted from the annual report of Oshidori for the year ended 31 December 2023, Oshidori recorded an audited net loss of HK\$84 million (2022: HK\$81 million). As at 31 December 2023, Oshidori had audited total assets and net asset value of HK\$3,888 million and HK\$3,731 million respectively. The liquidity of Oshidori remained strong with a current ratio of 7.5 and a gearing ratio of 1.4%. As at 31 March 2024, the fair value of Oshidori of HK\$0.19 per share represents a discount of approximately 69% to its audited net assets value as at 31 December 2023 of HK\$0.61 per share. It is considered that Oshidori is currently significantly undervalued and represents an attractive value stock pick with potential for higher return from a long-term perspective.

Saved as disclosed above, the Group did not hold any significant investments in any investee company with a value of above 5% of the Group's total assets as at 31 March 2024.

MATERIAL ACQUISITION AND DISPOSAL

On 21 March 2024, the Group entered into a sale and purchase agreement with Dawn Rainbow Limited in relation to the disposal of the entire interest of Blue River Wuhan Port Limited, an indirect wholly-owned subsidiary of the Company, which wholly-owned 湖北民生石油液化氣有限公司 (Hubei Minsheng Liquefied Petroleum Gas Limited*) at a consideration of HK\$1 million. The disposal was completed simultaneously upon signing of the sale and purchase agreement.

Save as disclosed above, the Group did not have material acquisition and disposal of subsidiaries, associates and joint ventures during the year.

EVENTS AFTER THE REPORTING PERIOD

There were no major subsequent events occurred since the end of the reporting period and up to the date of this announcement.

OUTLOOK

The Board undertakes strategic reviews of the Group's assets from time to time with a view to maximising returns to the shareholders of the Company. The divestments of inefficient and loss-making investments provide the Group with capital and financial flexibility to seize suitable business opportunities in the future to optimise the operational efficiency and investment return to the Group. The Group will explore opportunities to diversify and broaden its business and investment portfolio by investing in businesses with optimistic prospects.

LIQUIDITY AND CAPITAL RESOURCES

As at 31 March 2024, the Group had total assets of HK\$976 million (2023: HK\$1,949 million) which were financed by shareholders' funds and credit facilities. A variety of credit facilities were maintained to meet its working capital requirements and committed capital expenditure, which bore interest at market rates and had contracted terms of repayment ranging from on demand to one year. The Group mainly generated revenue and incurred costs in Hong Kong dollar and Renminbi. During the year, no financial instruments had been used for hedging purpose and no foreign currency net investments are hedged by currency borrowings or other hedging instruments. The Group adopts a prudent funding and treasury policy and manages the fluctuation exposures of exchange rate and interest rate on specific transactions.

As at 31 March 2024, the Group's bank and other borrowings amounted to approximately HK\$16 million (2023: HK\$535 million) with approximately HK\$15 million (2023: HK\$533 million) repayable on demand or within one year and approximately HK\$1 million (2023: HK\$2 million) repayable after one year. No borrowings denominated in Hong Kong dollar (2023: HK\$525 million) bore interest at fixed rate. Borrowings denominated in Renminbi of approximately HK\$16 million (2023: HK\$10 million) bore interest at fixed rate. The Group's gearing ratio decreased to 0.02 (2023: 0.40), which was calculated based on the total borrowings of approximately HK\$16 million (2023: HK\$535 million) and the Group's shareholders' funds of approximately HK\$933 million (2023: HK\$1,353 million).

Cash, bank balances and deposits of the Group as at 31 March 2024 amounted to approximately HK\$20 million (2023: HK\$774 million), of which approximately HK\$6 million (2023: HK\$756 million) was denominated in Hong Kong dollar and approximately HK\$14 million (2023: HK\$18 million) was denominated in Renminbi.

CAPITAL STRUCTURE

During the year, the Group has not conducted any equity fund raising activities. As at 31 March 2024, the total number of issued shares of the Company was 1,040,946,114 shares with a par value of HK\$0.1 each.

EXPOSURE TO FLUCTUATION IN EXCHANGE RATE

The Group's monetary assets, liabilities and transactions are mainly denominated in Renminbi and Hong Kong dollars. The Group is mainly exposed to foreign exchange risk with respect to Renminbi which may affect the Group's performance. The Group regularly reviews the balances of assets and liabilities and the currencies in which the transactions are denominated so as to minimise the Group's exposure to foreign currency risk. During the year, no financial instruments had been used for hedging purpose and no foreign currency net investments are hedged by currency borrowings or other hedging instruments.

CONTINGENT LIABILITY

As at 31 March 2024, the Group had no contingent liabilities (2023: Nil).

PLEDGE OF ASSETS

As at 31 March 2023, the Group pledged certain property interests and property, plant and equipment of the Group with an aggregate value of approximately HK\$10 million (2024: Nil) to secure general credit facilities granted to the Group.

In addition, as at 31 March 2023, the Group pledged its shares in certain subsidiaries with a net assets value of approximately HK\$128 million (2024: Nil) to secure the facilities granted.

COMMITMENTS

As at 31 March 2024, the Group had no expenditure contracted for but not provided for in the consolidated financial statements (2023: HK\$9 million in respect of acquisition of certain property, plant and equipment and properties interests).

NUMBER OF EMPLOYEES AND REMUNERATION POLICY

Inclusive of directors of the Company, as at 31 March 2024, the Group employed a total of 100 (2023: 150) full-time employees. Remuneration packages consisted of salary as well as performance-based bonus.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

CORPORATE GOVERNANCE

Throughout the year ended 31 March 2024, the Company has complied with the code provisions in Part 2 of the Corporate Governance Code (the “**CG Code**”) set out in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), except for the following deviation:

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive (the “**CE**”) should be separate and should not be performed by the same individual. Following the resignation of Mr Marc Andreas Tschirner as the managing director of the Company (the “**Managing Director**”, equivalent to the CE) with effect from 1 July 2023, Mr Kwong Kai Sing, Benny (“**Mr Kwong**”, the chairman of the Board (the “**Chairman**”)) was appointed as the Managing Director and has performed the roles of the Chairman and Managing Director with effect from 1 July 2023. Mr Kwong assumes both roles of the Chairman and the Managing Director and is responsible for overseeing the management and operations of the Group. The senior management of the Group continues to be responsible for the management and

administrative functions and day-to-day operations of the Group under the supervision of the Managing Director, who is concurrently the Chairman.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “**Model Code**”) as its own code for dealing in the securities of the Company by the Directors. According to specific enquiries made by the Company, all the Directors have confirmed their compliance with the required standard set out in the Model Code throughout the year ended 31 March 2024.

AUDIT COMMITTEE AND REVIEW OF ACCOUNTS

The Company has an audit committee (the “**Audit Committee**”) which was established in accordance with the requirement of the Listing Rules for the purpose of reviewing and providing supervision over the Group’s financial reporting process and internal controls. The Audit Committee meets regularly with the Company’s senior management and the Company’s auditor to consider the Company’s financial reporting process, the effectiveness of internal control, the audit process and risk management. As at the date of this announcement, the Audit Committee comprises three independent non-executive directors of the Company, namely Mr William Nicholas Giles, Mr Yu Chung Leung and Mr Lam John Cheung-wah.

The annual results of the Group for the year ended 31 March 2024 have been reviewed by the Audit Committee.

SCOPE OF WORK OF CROWE (HK) CPA LIMITED

The figures in respect of the Group’s consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 March 2024 as set out in the preliminary announcement have been agreed by the Group’s auditor, Crowe (HK) CPA Limited, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by Crowe (HK) CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants, and consequently no assurance has been expressed by Crowe (HK) CPA Limited on this preliminary announcement.

APPRECIATION

We would like to take this opportunity to express our gratitude to our shareholders, clients and partners for their continuous support and confidence to the Group and our appreciation to our executives and staff across the nation for their dedication and contribution during the past year.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement is published on the Company's website at www.blueriverholdings.com.hk under "Announcements" in the "Investor Relations" section and the Stock Exchange's website at www.hkexnews.hk under "Listed Company Information". The 2024 Annual Report will be despatched to shareholders of the Company and will be made available on the aforesaid websites in July 2024.

ANNUAL GENERAL MEETING

The 2024 AGM is scheduled to be held on Wednesday, 28 August 2024. Notice of the 2024 AGM will be published on the websites of both the Stock Exchange and the Company and despatched to the Company's shareholders in due course.

* *For identification purpose only*

By Order of the Board

Blue River Holdings Limited

Benny KWONG

Chairman and Managing Director

Hong Kong, 26 June 2024

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:

Benny KWONG (*Chairman and
Managing Director*)

AU Wai June

Independent Non-Executive Directors:

William GILES

YU Chung Leung

LAM John Cheung-wah